

REQUEST FOR COUNCIL ACTION

MEETING

DATE: 5/19/03

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AGENDA SECTION: Consent	ORIGINATING DEPT: Human Resources	ITEM NO. D-14
ITEM DESCRIPTION: RPU Request to Increase Shift Differential and Publish Corrected Compensation Provisions for System Operators as Members of RPEA		PREPARED BY: Linda Gilsrud

Rochester Public Utilities (RPU) leadership is recommending an increase in the shift differential amount (\$1.50/hour to \$2.00/hour) retroactive to 1/1/02 for System Operators at RPU. The System Operators, members of the RPEA bargaining group, have historically maintained parity in regard to shift differential with the Shift Foremen, IBEW (Outside) bargaining group. The 2002-2004 IBEW (Outside) bargaining agreement contains a negotiated increase in shift differential from \$1.50/hour to \$2.00/hour. In order to restore the historical parity, RPU leadership is requesting a comparable increase for the System Operators retroactive to 1/1/02.

The Rochester Professional Employees' Association (RPEA) is amenable to the change and to the publication of corrected and complete compensation provisions specific to System Operators at RPU as a memo of understanding attached to the RPEA agreement (see attached).

Council Action Requested:

Approval of the increased shift differential amount and publication of corrected and complete compensation provisions applicable to System Operators at RPU as a Memo of Understanding attached to the 2002-2004 RPEA agreement.

COUNCIL ACTION: Motion by: _____ Second by: _____ to: _____

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Memo of Understanding

RPEA Agreement - 2002 - 2004

Systems Operators - Compensation Provisions

I. Work Period

The work week for personnel assigned to the 12-hour shift shall begin at 06:00 on Sunday, and consist of seven (7) consecutive twenty-four hour periods.

The regular hours for all shift employees in System Operations shall be twelve (12) continuous hours of work with shift changes scheduled as the day shift shall be 06:00 to 18:00 and the night shift shall be 18:00 to 06:00. Four (4) days per 42 day rotation shall be scheduled as 8-hours work and shall be scheduled 06:00 to 14:00 and shall be a relief operator position. Five (5) days per 42 day rotation shall be scheduled as 8 hours work and shall be scheduled 06:00 to 14:00 and shall be a training position.

The System Operator assigned to Relief Shift on Monday and Tuesday shall fill in for vacations or illnesses during the period of Sunday Day shift through Wednesday Day shift. The System Operator assigned to Relief Shift on Thursday and Friday shall fill in for vacations or illnesses during the period of Wednesday night shift through Saturday night shift.

II. Shift Premium

Electric Utility System Operators at RPU are eligible to receive a shift differential of \$2.00 per hour, effective 1/1/02 for a 12-hour shift beginning at 6:00 p.m. and ending at 6:00 a.m.

III. Overtime Premium

System Operators are eligible for overtime premium pay of 1.5 times his/her regular rate for hours worked beyond 12 hours when a 12-hour shift is scheduled. System Operators are eligible for overtime premium pay of 1.5 times his/her regular rate for hours worked beyond 8 hours when an 8-hour shift is scheduled. System Operators are eligible for overtime premium pay of 1.5 times his/her regular rate for all other non-scheduled hours worked.

IV. Holiday Premium

A System Operator assigned to work one of the City's designated holidays receives 2.5 times his/her regular rate for the first eight (8) hours and 3 times his/her regular rate for the last four (4) hours of his/her work shift on the holiday.

V. Vacation and Sick Leave

Paid leave shall be charged in the same increments as the work was scheduled, i.e. it shall take twelve (12) hours of paid leave to cover a 12-hour shift.



we pledge, we deliver

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MEMORANDUM

DATE: ~~May 14, 2003~~ (Computer pulled
in data - letter
was sent
in Jan. 2003)

TO: RPU System Operators

FROM: Walt Lorber, Director of Operations (see highlighted
area on next page)

Re: Management Response to Various Issues and Concerns Presented by the
System Operators

The following response has been developed in consultation with Larry Koshire, Linda Gilsrud, and Gerry Steffens, and is intended to be responsive to the issues and concerns that have been communicated in various forums over the past several months.

RPU Hiring Practices

1. The System Operator job description was revised with the most recent posting for the purpose of obtaining an experienced candidate for the sixth position that could quickly be put into shift rotation to address the understaffing concerns the SOs had voiced. The intent had not been to permanently change the job description. Attached is a revised draft that we are prepared to execute, which changes the experience requirement from 8-10 to 3-5 and shifts NERC certification from "minimum" to "desired". In addition, since we're revising it, we've updated the responsibility for security. Please let me know if you have further updates that should be made at this time.
2. If an RPU employee has interest in preparing for a future SO opening, he/she should contact Ray Clark or Gerry Steffens to discuss his/her interest. If the employee has the potential to meet the position's minimum requirements, RPU will pay for expenses incurred in obtaining NERC certification.

Compensation Concerns

1. The SOs have expressed concern that RPU's wage scale is not competitive. We have analyzed the pay range and have found:
 - A. An external survey (attached) conducted by Riley, Dettmann, & Kelsey for the City shows the midpoint of the RPU SO wage scale to be between the 2nd and 3rd highest paying of seven comparable regional utilities. Further, RPU's compensation for shift premium and holiday pay appears to be above average. Based on this information, we cannot support an upward adjustment to the pay scale.
 - B. A comparison of SO pay with the most-oft quoted internal comparable, the Shift Foreman, shows a 2003 base wage of \$64,524 for the Shift Foreman versus a midpoint wage of \$67,891 for the SO. While new hires are brought into the wage scale at a point based on experience, current salary, and internal comparability, all will surpass midpoint within a few years. With other compensation being similar for the positions, we believe

that the current SO wage scale is sufficiently attractive to the internal pool of potential applicants.

2. The SOs have noted that the most recent IBEW contract provided an increase in shift premium (from \$1.50 per hour to \$2.00) and have questioned why that increase was not automatically extended to the SOs. It is management's position that benefits negotiated by one bargaining group are never automatically extended to another bargaining group. However, recognizing that there were ongoing discussions regarding the above pay issues, management is agreeable to adjusting the SOs' shift premium to \$2.00 per hour, effective January 1, 2002.

I hope that the above is responsive to the issues and concerns that you have brought to our attention. Gerry will be setting up a meeting with you for us to discuss the above and answer any further questions you might have. We would like to put these matters behind us and focus on building a System Operations team, capability, and reputation that are second to none. We know that we have excellent people in System Operations; we're convinced that we pay a competitive wage, and we want to develop the relationships and communications that will allow management to strengthen the role of the System Operations function at RPU.

Attachments: Draft SO Job Description
2002 SO Salary Survey

c: Larry Koshire
Linda Gilsrud
Gerry Steffens
Ray Clark